

090230

COMMISSIONERS:  
MATTHEW M. CARTER II, CHAIRMAN  
LISA POLAK EDGAR  
NANCY ARGENZIANO  
NATHAN A. SKOP  
DAVID E. KLEMENT

STATE OF FLORIDA



TIMOTHY DEVLIN, DIRECTOR  
DIVISION OF ECONOMIC REGULATION  
(850) 413-6900

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Public Service Commission

December 15, 2009

Eli Suben  
3404 Lands End Drive  
St. Augustine, FL 32084

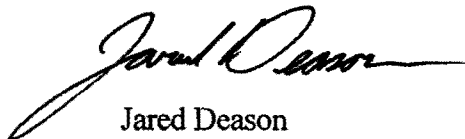
FPSC, CLK - CORRESPONDENCE  
Administrative / ~~Parties~~ / Consumer  
DOCUMENT NO. 11822.09  
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**Re: Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility - Docket No. 090230 -WU**

In an earlier letter, it was stated that the Commission was expected to consider staff's recommendation concerning the above-referenced docket at its December 15, 2009, Agenda Conference. However, this docket has been deferred until the January 26, 2009, Agenda Conference. A revised recommendation is due to be filed on January 13, 2009.

If you wish to attend the January 26, 2009 Agenda Conference, which will be held in Room 148, Betty Easley Conference Center, in Tallahassee beginning at 9:30 a.m., please arrive promptly at the beginning of the Agenda Conference, as we cannot state the exact time at which this item will be heard. You are welcome to come to this Agenda Conference and observe and/or participate in the discussion of this item. Please contact Commission staff no later than the close of business on Friday, January 22, 2009, if you wish to participate. If you have any questions, please feel free to call me at (850) 413-6844.

Sincerely,

  
Jared Deason

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Deason, Bruce)  
Office of Commission Clerk (Docket No. 090230 -WU)  
Office of Public Counsel

090230

COMMISSIONERS:  
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Public Service Commission

December 8, 2009

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DOCUMENT NO. 11822-09  
DISTRIBUTION:

Eli Suben  
3404 Lands End Drive  
St. Augustine, FL 32084

Re: Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility - Docket No. 090230 -WU

Dear Mr. Subin:

Enclosed is a copy of the Staff Recommendation filed in this matter on December 3, 2009. The Commission is expected to consider this Recommendation at its December 15, 2009, Agenda Conference which will be held in Room 148, Betty Easley Conference Center, in Tallahassee beginning at 9:30 a.m.

If you wish to attend, please arrive promptly at the beginning of the Agenda Conference, as we cannot state the exact time at which this item will be heard. You are welcome to come to this Agenda Conference and observe and/or participate in the discussion of this item. Please contact Commission staff no later than the close of business on Friday, December 11, 2009, if you wish to participate. If you have any questions, please feel free to call me at (850) 413- 6187 or Jared Deason at (850) 413-6844.

Sincerely,

*Martha C. Brown*

Martha Brown  
Senior Attorney

MB/jd

Enclosure

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Deason, Bruce)  
Office of Commission Clerk (Docket No. 090230 -WU)  
Office of Public Counsel

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(850) 413-6900

Public Service Commission

December 7, 2009

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09 DEC -7 PM 4:03  
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**PARTIES**

Eli Suben  
3404 Lands End Drive  
St. Augustine, FL 32084

Re: Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility - Docket No. 090230 -WU

Dear Mr. Suben:

This letter is in response to your letter dated November 17, 2009, in which you expressed your concerns about a rate increase petition filed by Camachee Island Company, Inc. d/b/a Camachee Cove Yacht Harbor Utility (Camachee or Utility). To ensure that the Commission staff and the Commissioners have knowledge of your concerns, your letter has been placed on the correspondence side of the docket file for all to review.

In your letter, you stated that the staff report showed Camachee as having long-term debt of \$400,000, but fails to identify the source or cost of the loan. As stated in Issue 4 on page 8 of the staff report, the \$400,000 loan consists of advances from Camachee's parent company in which no interest is charged. Consistent with Commission practice, advances from a parent company in which no interest is charged is treated as common equity. Because the loan from the parent company is treated as equity, the cost rate is determined by the Commission approved leverage formula approved in Order No. PSC-09-0430-PAA-WS, which has been previously provided to you.

Additionally, you state that the staff report described Camachee's customer base as being seasonal and mainly part-time. As stated in Issue 8 on pages 14 through 17, staff performed a detailed analysis of the Utility's billing data and based on staff's findings, considers the Utility's customer base "mildly seasonal".

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Eli Suben  
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December 7, 2009

Your letter also stated that Camachee and the marina are commonly owned and are able to share financial resources. As stated in staff's previous letter to you, appropriate rates are determined by using the rate of return methodology as dictated by Chapter 367, Florida Statutes (F.S.). This rate of return methodology considers the operations relating to the Utility only, and therefore, any non-utility investments as well as expenses relating to parent/sister companies are disallowed.

We understand your concerns regarding the Utility's proposed increases. I hope the above information has been helpful. If you have any additional questions, or require further assistance, please call me at (850) 413-6844 or e-mail me at [jdeason@psc.state.fl.us](mailto:jdeason@psc.state.fl.us).

Sincerely,



Jared Deason  
Regulatory Analyst IV

cc: Division of Economic Regulation (Bulecza-Banks, Fletcher, Bruce)  
Office of Commission Clerk (Docket No. 090230 -WU)  
Office of Public Counsel